

**Minutes**  
**FINANCE COMMITTEE**  
**Tuesday, October 22, 2013**  
**City Hall, Room 207**  
**Immediately following Personnel which begins at 5:30 p.m.**

MEMBERS: Alders Amy Kocha, Tom De Wane, Andy Nicholson, and Tom Sladek

OTHERS PRESENT: Ald. Dave Boyce, Ald. Mark Steuer, Steve Grenier, Dawne Kramer, Chief Dave Litton, Atty. Tony Wachowicz, and others.

1. Roll Call. All present except Ald. Andy Nicholson who has been excused.
2. Approval of the Agenda.

A motion to approve the agenda made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

3. Approval of the minutes of the Finance Committee meeting of September 24, 2013.

A motion to approve made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

4. Request by Ald. Thomas DeWane to discuss, with possible action, possible cost savings for entering into an agreement with Brown, Calumet and Outagamie Counties regarding waste management.

A motion to open the floor to the public made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

Dean Haen, 3110 Pioneer, Brown County Director of Port and Research Recovery, came forward to speak along with Chad Doverspike, Operations Manager, and John Katers, a professor from UWGB, who serves as a Green Bay representative on the Solid Waste Board.

Most of 2012 has been spent re-doing their contract and having negotiations. The contract was formed using the attorneys for all of the municipalities. With an element of the Department of Public Work's records an agreement was formed. The County Board then adopted that agreement. Last fall presentations were given and twenty-three (23) out of twenty-four (24) municipalities signed the agreement, all except Green Bay, which they are still hopeful to have sign the agreement.

The agreement facilitates solid waste management services through the landfill hidden fees. They are partners with two other counties with their landfill and recycling facility. The operations have been successful thus far.

Ald. Tom De Wane is requesting information regarding the cost savings, what would happen if Green Bay did not sign the agreement, and have their staff come forward to provide the information.

Dean Haen replied they moved towards the tier tipping fees as part of the contract and the last agreement with the reason being that they are moving towards the south-landfill. The south-landfill will begin to be built in about eight (8) years and they need to know how much tonnage they will have because it is a major capital investment. Twenty-five million dollars worth of tonnage will be put into that facility and they need to know that they have partners as they are preparing to build that facility.

The County went to a tiered system where it would give the lowest, below cost, tipping fee to their municipal customers. There is a contracted rate for private companies that use the landfill, or others that are under contract, and then there are the gate rates which are uncommitted to the county, both short and long-term.

They have been proceeding forward by offering the discounts to provide stability and financial security as a way of providing the funds required to make the operation of the building of the south-landfill cost effective in moving forward.

Ald. Tom De Wane is wondering what are the services being provided with the current signed agreement and if they are cost effective?

Dean Haen stated that there is a separate recycling agreement, so that is set aside. The fees collected under the landfill and solid waste tipping fees include removing of hazardous waste with a permanent collection facility at the regional facility, sharp collection, pharmaceutical collection, construction and demolition recycling, shingles recycling program, tire recycling and appliances, there are all of these small programs that are funded with that tipping fee. A new program that is being looked into that will be piloted this next year is an organics recycling drop off, which will remove the organics out of the garbage and not be part of the landfill.

Ald. Amy Kocha requested a reiteration of where the City is at right now regarding our costs and where we are at on the structure of the tiered system.

Dean Haen responded as of 2013 the twenty-three (23) municipalities under the agreement that are receiving the lowest offer are at \$40 dollars per ton and the gate way fee is \$43 dollars per ton. The differentiation of fees is based on commitments.

Ald. Amy Kocha verified that Green Bay is part of the second tier.

Dean Haen continued for 2014 the preferred rate will be \$40.60 with the ability to increase our cost by CPI, which was 2.2% last year, but on the preferred contracts it was only increased 1.5%. The other rates moved up differentially from there. Nothing is being locked-in to the CPI's, the whole system is being looked at in order to be able to reward the long-term customers with the lowest possible rates.

Ald. Tom Sladek commented that Green Bay is currently paying \$41.20, the 2013 rate used for the private companies due to not signing the agreement and would like to know what the term of the agreement is that is being sought after.

Dean Haen explained that the term of the new agreement has a variable term of five or ten years. This is providing the flexibility that the municipalities requested. Municipalities chose the term that was best for them.

Ald. Kocha asked if the County is considering any alternatives to the landfill or looking at ways to eliminate the use of the landfill or at least partially.

Dean Haen stated that as a department a strategic plan in 2012 was to look at where they wanted to go and a twenty-five year plan was just completed with the tri-county on exploring new technologies, looking at waste as a resource, and additional recoveries. They want to create the new facility so it has a resource recovery plant as part of it so that every ton of waste that goes through the facility may have an additional use. The County is aware that there may be things that occur where they will end up partnering with private industries that do more separation of waste, recycling, and producing energy from waste.

Ald. Amy Kocha requested to know on how far away we are looking at, is it the eight years before this new landfill begins or are we in a position to expect something sooner than that.

Dean Haen responded that it is hard to know because a lot of the emerging technologies have a lot of risk and a lot of cost, but they are happening and it is developing. There are certainly going to be changes and developments and not sure of what they may be. The future is moving towards zero waste.

Next year a \$100,000 has been allocated which will be invested in looking at the resource part in the south-landfill. The first step is to move the design of the landfill around, looking at ways of being able to add secondary facilities, scales and growths, and to dedicate a footprint. Also to begin studying activities that will be in that area.

Ald. Amy Kocha commented that she wanted to hear that the county will be investing some money in moving this plan forward and is hoping that efforts are being made in helping our taxpayers understand the value of this project. A clarification was requested of the term of "digesting organics".

Dean Haen explained that there are different ways including wet or dry. Basically the decomposition is being accelerated for energy purposes.

John Katers, 1243 Kenwood St, came forward to explain that the main concept trying to be accomplished is to try an aggregate as much waste material as possible. With everybody working together there is more resource and fund location. If a private company is looking at putting in a system it would be much easier for the company to be working with just one entity, which Brown County Salvage Board has always been able to provide for the past forty plus years that it has been in existence.

In terms of aerial digestion, John Katers has been involved in most of the projects all over the state. That would be liquid digestants, which is then put into a tank, heated, and produces methane gas that provides electricity. There are similar technologies that produce methane; the University of Oshkosh is actually applying a system using food waste in order to produce methane. The University of Green Bay recently began sending their food waste to UWO in order to recycle it for energy and believes that there are plenty of opportunities to do this in Brown County. The key item is to have all of the municipalities working together, collaborate, and look for the best option. The County is in the business of not just filling a hole in the ground, but looking for ways to keep it empty.

Ald. Amy Kocha is curious on how the students are affected at UWGB with this program. Are they responsible on keeping the food separate?

John Katers explained that currently it involves the pre-consumed. The people that work in the kitchen have been separating. A new dishwasher is being installed which will enable the students to place the tray on a cart where the kitchen staff will once again be responsible for the separation of garbage and the students will not be affected.

Ald. Amy Kocha asked if there may be a time when consumers in their homes will be separating things differently.

John Katers responded that currently in Portland, Oregon it is being done. They have three bins they set out; garbage, recycling, and organics.

Ald. Tom De Wane asked that if our rate is currently at \$41.20, by signing the contract would the City see a cost savings.

Dean Haen responded that there would be a slight cost savings, but other conveniences are included with the contract that we would receive if signed.

Ald. Tom Sladek stated that the County is currently getting a three percent premium from the City compared to the other municipalities. He would like to understand the County's motivation to have the City in a five year deal. Is it for planning purposes that they are willing to give up the three percent tipping fee?

In response, Dean Haen stated the purpose of doing the agreements last year was because the County wanted the financial security of the tonnage.

Ald. Tom Sladek asked if the south-landfill won't be for another eight years and some of the contracts are only for five years, how does that help with the planning process?

Dean Haen replied that the two contract options were not ideal, but there were too many municipalities that would not agree to the ten year deal so a sacrifice was made. Questions were raised regarding what the future plans were and what was going to be done with the solid waste. The five year agreement is allowing the County to show what is being done and what direction that they are headed in. The County is not aware of why there is uncertainty with some municipalities, but are confident that they will have renewals after the five years has expired.

A motion to return to regular order made by Ald. Amy Kocha, seconded by Ald. Tom Sladek, and carried to approve.

Ald. Amy Kocha would like to know the dollar savings and or difference of the current rates compared to being locked into a contract on an annual basis.

Director Steve Grenier responded that with a \$0.60 differential it would be approximately \$30,000 per year.

Ald. Amy Kocha requested Steve Grenier to state his ideas on the subject.

Director Steve Grenier stated that the City continues to look at the agreement and new information has been brought forward. The initial contract that was signed in 1998, which arguably is in effect or not in effect, has very specific provisions on what constituted a tipping fee and nowhere in the contract does it provide any allowances for Brown County to structure a differential tipping fee. Our argument could be that there was not any legal authorization and nothing stated in the 1998 agreement to allow the County to come up with a differential rate, we should be getting the differential rate already.

There are a lot of questions relative to the 1998 agreement, the provisions that are in the new agreement, and plenty of other things that need to be mentioned. There is a realization that it may be an oversight or not something that was intended, but it was indicated that some of the municipalities mentioned the financial security of never facing more than the CPI cost increase.

One of the items the City has taken exception to is the escalator clause involving the CPI. The counter to the County was if prices were being increased to cover costs and not turn a profit, the unrealized CPI from the prior year should not be needed. There are terms within the agreement that are still subject to negotiation. In 2013 there has not been much discussion and most of the meetings were held with the prior director.

A motion to actively negotiate the agreement with Brown County made by Ald. Amy Kocha.

A motion to open for discussion made by Ald. Tom De Wane, seconded by Ald. Tom Sladek, and carried to approve.

A motion to re-open the floor made by Ald. Amy Kocha, seconded by Ald. Tom Sladek, and carried to approve.

Ald. Tom De Wane asked Dean Haen to come forward and speak of costs.

The Household Hazardous Waste Collection Program was put into place back in the late 1990's with the cooperation of the Green Bay Metropolitan Sewage District. A portion is paid by both parties and those that are not connected to the MET pay directly. Looking back over the past eight years, the average cost is \$176,000 a year that breaks down to about \$50 to \$60 per household.

The Sharps and Pharmaceutical Programs are a convenience. The dollar amounts are not staggering by any means in order to run the programs. Each programs runs about \$10,000 each.

Ald. Tom Sladek questioned that the Household Hazardous Waste Program is funded with money from Green Bay MSD with the interest of not having the stuff poured down the drain, and clarified that the County also pays for the program. Municipalities that are not on the GBMSD system make a direct payment for the same service that is received by city residents and would like to know how that payment is calculated.

Dean Haen stated that it is calculated on the resident/household basis. If you have a township with 1,000 residents, they would then pay a certain dollar amount. It can range from \$12,050 to \$15,000 a year depending on the varying factors. Broken down into households it can range from \$50.00 to \$60.00 per household per visit. Participation

rates, not everybody utilizes the facility every year so it works out to be less than ten percent value per evaluation.

An offer was extended to come back with an actual amounts being paid per household for the included participants.

Ald. Amy Kocha asked if there was anyway within the next three weeks the County and the City could negotiate in earnest to have something presented to this committee.

Dean Haen commented that they have worked with Atty. Tony Wachowicz and the previous Public Works Director, each of the municipalities' public works directors and their attorneys to come up with the current agreement. Everyone had signed off on that agreement in order to bring it to the County Board where it was approved with the ability to execute it. If terms are going to be changed within the agreement, this would be taking a different path.

The agreement could be changed, but it would then have to go back through the required boards for approvals. In regards to rates and fees, they are set by the County Board. At this time, there are only the three choices that have been set which they are to use as staff. Negotiations are not impossible, but unrealistic at this time.

Ald. Tom De Wane verified that if we would sign the agreement that is in place at this time, in the next following year we would see a cost savings of approximately \$30,000.

Ald. Amy Kocha stated that since an agreement has not been signed, if the City and the County could have negotiations.

Dean Haen is open to it and is willing due to Green Bay being a key part of the solid waste management system.

Ald. Tom De Wane verified that we are currently under contract; we just have not signed the new agreement.

Ald. Tom Sladek commented that it is premature to direct staff to negotiate with the County with so many unresolved issues still hanging in the balance. Thinks an analysis by staff be conducted prior to entering negotiations. Withdrew his second on the motion to enter into negotiations.

However, he would like to come back to this item in the next meeting after some comprehensive analysis have been completed, dollar amounts have been assigned, and legalities have been addressed in order to get a much better understanding of what the agreement can or cannot do for the City.

Ald. Amy Kocha would then like to enter into closed session to be able to discuss the legalities and to make decisions in regards to the contract.

Atty. Tony Wachowicz came forward and stated that he would advise the committee to go into closed session. Being involved with the original negotiations he is concerned that the committee is only getting half of the facts and the other half involves items that should be discussed in closed session regarding competitive, bargaining, and legal items.

A motion to hear a report from staff on the financial aspects on solid waste involving both the County and a potential private hauler and to include some analysis of the aspects of services; like household hazardous waste that would not be available by an alternative supplier, as well as a report from legal staff as to legal issues that we should be considering as we go forward with this matter on the first meeting in November made by Ald. Tom Sladek, seconded by Ald. Amy Kocha.

Motion made to enter into open discussion by Ald. Tom De Wane, seconded by Ald. Amy Kocha, and carried to approve.

Ald. Amy Kocha's intent is to resolve this for fairness to everybody because we are all county citizens.

Ald. Tom De Wane is asking Director Steve Grenier if we could receive the costs for other entities that provide the same services in order to make comparisons.

Ald. Tom Sladek is asking for a comprehensive review that includes the cost of getting the services not provided by the county and/or the implications of foregoing such services.

The motion passes.

Motion to close the floor made by Ald. Amy Kocha, seconded by Ald. Tom Sladek, and carried to approve.

5. Request by Ald. Tim De Wane for an update/review on any financial expenses from the beginning of the contract to the current, if any, with the Packerland Veterinary Clinic.

Ald. Tom DeWane informed Ald. Tim De Wane that the only financial occurrence thus far is the contract, which will be provided to him.

A motion to receive and place on file made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

6. Request by Fire Chief Litton to allow the Fire Department to initiate RFP for work to be performed on Fire Station 6 in relation to repairing or replacing its roof and replace its HVAC system. Money would come from the Fire Department's 2013 budget and be transferred to the Fire Department's building capital fund.

Ald. Tom De Wane pointed out that this is a serious situation and should have been brought forth sooner.

Fire Chief Litton explained that the current HVAC system in place is about twenty-nine years old and they have been working with the engineers and the building department for a remedy of the current situation. It was brought to their attention that mold was forming approximately late August, early September. A visual confirmation was done at that time. Complaints from personal were being expressed regarding symptoms of feeling ill. Symptoms were not being felt outside of being in station 6. An air quality assessment of the station was ordered through an engineering firm and it was determined that the current system has been compromised.

The current system is underground and the new system would need to be moved to the roof for it to work properly and have longevity. Unfortunately the roof needs repairs before the new system is installed. The request was included with the 2014 budget plans and in discussions with Finance, Planning, and the Mayor, it was determined that there is money available in the existing budget.. The money is being requested at this time because they are still working with engineering and the money will need to be available for the end of the year in order to replace the system on a timely manner.

Ald. Tom De Wane would like this to be completed before spring if possible.

Chief Nieft stated that they are moving as fast as possible to resolve this issue.

A motion to approve made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

7. Request by the City Clerk to review and possible action on increasing certain licensing fees.

City Clerk Kris Teske stated that in speaking with other clerks across the state of Wisconsin our licensing fees are on the low-end. After going through our numbers and our history it shows that the fee for Operator's Licenses, Cab Vehicles, and Special Assessment Letters has not changed since 2006. The Cab Operator Licenses fee was implemented in 2007 and has not changed since. A cost analysis was preformed including the time to process and the number of departments that are affected in the process for each license.

The Operator License process includes the Clerk's office, the Police Department, Parking Division, Printing, and possibly the Attorney's Office. The total cost without including the Attorney's Office is \$55.08.

The Cab Operator License process requires that each individual applying provides the paperwork of conducting a background check upon themselves, along with a picture to be included for the license. The police department is involved with this process. The total cost is \$49.58. There would be an additional cost of \$21.22 if the Attorney's Office would be required during the application process.

The Cab Vehicle License application involves the Clerk's office, the Police Department, and Risk Management. The total cost involved is \$26.88.

Special Assessment Letters are provided by the Clerk's office if there is a selling of a home or property. The letters provide any amounts due on the property that need to be paid. Most letters are ordered in a timely manner, but the office is requested to have a "rush" put on certain letters. Total cost for the letters is \$27.28.

Ald. Tom De Wane stated that the Clerk's Office is requesting an increase with the Operator (Bartender) License from \$40.00 to \$60.00. He is concerned that a lot of applicants are young and just starting out.

City Clerk Kris Teske did research and the majority of applicants have the cost paid for by the establishment where they will be working.

Ald. Tom Sladek asked for further explanation of the table that was provided showing our costs compared to other municipalities.

City Clerk Kris Teske provided a detailed explanation.

Ald. Tom Sladek is concerned about the fifty percent increase.

Ald. Amy Kocha thanked the Clerk and other staff for coming forward during the Finance Meeting instead of waiting for the Budget meeting. It was also requested to have a further explanation of when the Attorney's office gets involved with the licensing process.

Atty. Tony Wachowicz explained that their office gets involved when the police department is not definite on their decision of approval or denial of an applicant. The attorney's office then looks into the history and makes a final decision.

City Clerk Kris Teske provided further explanation stating that the amounts provided are an approximation due to all applicants including a variety of information with the applications.

Ald. Amy Kocha is also concerned with the large increase.

A motion to increase the Operator License and Cab Operator License fees to \$50.00, the Cab Vehicle License fee increase to \$25.00, and the Special Assessment Letter fees increase to the recommended amount made by Ald. Tom Sladek, seconded by Ald. Amy Kocha.

A motion to be under discussion made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

Ald. Amy Kocha questioned the difference of increases regarding the Special Assessment Letter fees. At this time there is not a fee for a "rush" on a letter.

A motion to make the changes effective for January 1, 2014, made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

#### 8. Report of the Purchasing Manager:

A motion to take item a. and b. together made by Ald. Tom De Wane, seconded by Ald. Amy Kocha, and carried to approve.

a. Report the purchase of a Wireless Data Bridge replacement at Lambeau Field to Baycom for \$10,995.

b. Report the purchase of a used, 80' Boom Lift for the Parks Department to United Rentals, Inc. for \$38,467.

A motion to receive and place on file made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

- c. Request approval to award the purchase of two (2) Ambulances to Jefferson Fire for \$335,278.

A motion to approve made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

- d. Request approval to award the purchase of Firefighting Turnout Gear for 2013 to Paul Conway Shields, with an option to purchase 2014 Turnout Gear under the same contract.

A motion to approve made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

9. Request by Ald. Andy Nicholson for a breakdown on how City TIF funds were spent in the last ten years.

A motion to hold until next meeting in November made by Ald. Amy Kocha, seconded by Ald. Tom Sladek, and carried to approve.

10. An update on the Oneida PILOT and Service Agreement discussed at a prior Finance Meeting.

Atty. Tony Wachowicz stated that in regards to the pilot portion, a settlement has been made, but a response has not been received by the City. There were some additional discussions. The Tribe contacted the Mayor's office in regards to the settlement that was made and nothing came out of the discussion as far as he is aware.

If the board would like further detail on the settlement offer Atty. Tony Wachowicz would like to enter into closed session. Generally speaking, an offer was made consistent with what was discussed in prior Finance meetings.

In respect to the Service Agreement, based upon Ald. Tom Sladek's presentation, there is follow-up needed regarding the assessed values and how they were arrived at. The service agreement that the City entered into was based upon the County's agreement and the City accepted the attachment that was included. There have been additional parcels added since the original agreement, which leads into having the annual meeting in order to address the outstanding issues.

In addition the committee addressed the Assessor's office to look at the values in a hierarchal fashion. In speaking with their office they have had an opportunity to review the commercial aspect and they would concur that the values are low. The values that are outstanding appear to be personal property tax and the improvements on the land that is exempt. They will be continuing to review the vacant and personal property in the coming weeks.

The committee may convene in closed session, pursuant to section 19.85(1)(g), Wis. Stats., for the purpose of conferring with legal counsel concerning strategy to be adopted by the city with respect to litigation in which it is or is likely to become involved. The committee may thereafter reconvene in open session pursuant to section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

A motion to receive and place on file made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

11. Report of the Claims Committee:

The Committee may convene in closed session pursuant to Sections 19.85 (1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Committee may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

A motion to approve made by Ald. Amy Kocha, seconded by Ald. Tom Sladek, and carried to approve.

12. Request by the Finance Director to review third quarter 2013 financial performance of the City.

Diana Ellenbecker stated that on the first page of the summary included in the packets that the information is now provided through September, the end of third quarter. It appears that we are still going to come in favorable to budget at about \$380,000. To date we have a budget of \$700,000 for sick escrow, to date we are about \$740,000 paid into escrow, and anticipating about another \$250,000. It is believed that we will come in better than this, but this is for emergency for the next three months.

There is additional detail on how the value changed with one month's expenditures over the previous report that was provided previously.

Ald. Tom Sladek questioned the big swing in the Assessor's department.

Diana Ellenbecker explained that there was some contingency for the write off for the tax adjustment account; however, we are expecting to get some of \$110,000 back from other taxing jurisdictions.

Ald. Tom Sladek requested the area on police contract work comp.

Diana Ellenbecker responded that we received a third quarter update and there were some additional hits that the department took that we were not aware of or had been added in the last quarter since the worker's comp report had come out.

Ald. Tom Sladek requested more information and detail on the Police contract which will be provided by the Finance Department.

A motion to receive and on file made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

13. Report by the Finance Director

Diana Ellenbecker did not have anything to report at this time.

A motion to receive and place on file made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

A motion to adjourn at 7:44 p.m. made by Ald. Tom Sladek, seconded by Ald. Amy Kocha, and carried to approve.

2013 Contingency Fund  
\$44,500

- 1) **THIS MEETING IS AUDIO TAPED:** THE AUDIO OF THIS MEETING & MINUTES ARE AVAILABLE ON LINE AT [WWW.CI.GREEN-BAY.WI.US](http://WWW.CI.GREEN-BAY.WI.US).
- 2). **ACCESSIBILITY:** Any person wishing to attend who, because of a disability, requires special accommodation should contact the City Safety Manager at 448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3). **QUORUM:** Please take notice that it is possible that additional members of the Council may attend this committee meeting resulting in a majority or quorum of the Common Council. This may constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4). **REPRESENTATION:** The party requesting the communication, or their representative, should be present at this meeting.